

**Audit Report
Harris Incident
Emergency Fund**



**Prepared by:
CAL FIRE Office of Program Accountability**

March 2010

Preface

As part of its annual risk assessment and review of internal controls, the California Department of Forestry and Fire Protection (CAL FIRE) Office of Program Accountability (OPA) normally performs a review of the largest fires occurring during the previous calendar year. In 2008, OPA performed a review of the Harris Incident, which occurred during the 2007 fire season in the San Diego Unit (MVU).

OPA evaluated MVU's and the Incident Command Team's compliance with CAL FIRE policies and procedures. During this audit, OPA staff reviewed controls over expenditures, hired equipment, and labor. Staff also reviewed the following activity support functions: purchases, grocery and restaurant food, lodging, and other expenditures.

We appreciate the cooperation extended by MVU staff and the Incident Command Team, and we thank them for their patience and for answering our requests for documentation.

This report communicates the results of our review.

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Auditor's Report

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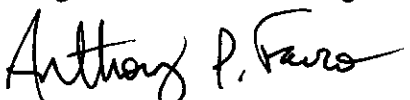
The Office of Program Accountability (OPA) completed its operational audit of the Harris Fire for the California Department of Forestry and Fire Protection (CAL FIRE) in July 2009.

Our review was conducted in accordance with The International Professional Practices Framework issued by the Institute of Internal Auditors, and we relied on State Government Code, the State Administrative Manual (SAM), California ROSS Business Practices and Standards, as well as CAL FIRE's general policies and procedures governing incident management that are contained in the Incident Fiscal Management Handbook (3800). We also referred to policies and procedures contained in the Material Management Handbook (2600), the Accounting Procedures Handbook (3600), the Fire Operations Handbook (7000), the Emergency Incident Management Handbook (7700), the Command and Control Handbook (8100), and the Aviation Handbook (8300).

OPA staff performed this review to ensure that the aforementioned CAL FIRE policies and procedures were followed during the incident and that State assets were utilized in a manner consistent with State and CAL FIRE laws, rules, and regulations. To complete this audit, we reviewed the Cost Package at the San Diego Unit, and we examined documentation on file in the CAL FIRE Departmental Accounting Office (DAO).

Our review has indicated several instances of non-compliance with CAL FIRE and State policy, as well as reportable weaknesses in internal control over incident finances. These issues are described in detail in the Findings and Recommendations section of this draft report.

This report is intended for the information of the CAL FIRE Director, CAL FIRE management, and its designees.


Anthony P. Favro
Chief of Program Accountability

March 1, 2010

Findings and Recommendations

Finding 1 - Improper CAL-Card Purchases:

The review disclosed a significant misuse of CAL-Card by a single purchaser for purchases totaling \$6,753.34 from Fry's Electronics. The purchases were for \$404.87 for three optical mice, various cables, and an air duster; \$4,010.51 for three Adobe Acrobat licenses, two laser jet printers, two fax/copy/scanner/printers, and various other IT supplies; \$237.03 for various IT supplies; and \$2,100.93 for fifteen phones and three Adobe Acrobat licenses. The details of the card misuse are as follows:

1. The purchase of \$237.03 was made on November 15, 2007, and coded back to the incident, which ended on October 31, 2007. There is no explanation or justification for why this purchase was coded to the incident.
2. The purchases did not include necessary requests or approvals from Headquarters ITS or Unit IT Coordinators.
3. There is no evidence of retrograde of any of the reusable items (fifteen phones, four printers, and six Adobe software licenses).
4. The purchases of \$4,010.51 and \$2,100.93 were purchased by a single cardholder on the same day, at the same location, with the same cashier, and within minutes of each other, indicating that the purchases were split in order to stay within purchasing limits.

Criteria:

Section 3821.2 of the Incident Fiscal Management Handbook states:

The use of the Emergency Fund (and the accompanying departure from normal state business processes) will be guided by the professional judgment and integrity of the responsible CAL FIRE officer authorizing Emergency Fund expenditures.

All employees will be accountable for following the guidelines listed under Section 3821.7 (Expenditure Authorization), Section 3821.8 (Conditions for Use), and Section 3821.9 (Proper Expenditures).

Section 3821.6 of the Incident Fiscal Management Handbook states:

Unit Chiefs and Region Chiefs are responsible for auditing the use of the Emergency Fund to ensure that expenditures are being made within these policy

guidelines. The department auditor is available to provide guidance and assistance.

Section 3821.7 of the Incident Fiscal Management Handbook states:

Each person authorizing Emergency Fund expenditures is personally responsible for the appropriateness of such expenditures. All personnel authorizing expenditures are personally responsible for complying with established rules and guidelines, even though another employee may make the actual purchase. Additionally, all personnel are subject to the procurement policies of the state even if responsibility for the fire rests with another agency.

Section 960.2.3 of the Information Technology Services Handbook states:

All IT purchases require a completed and approved Purchase Request and Justification (PC Request) prior to the acquisition. Personnel who perform IT procurements are responsible to maintain complete documentation of all IT purchases...The PC Request is required for all purchases of IT goods and services regardless of the purchase method used. Procurement documents must be completed and signed by the Funding Manager and Supervisor in charge of the purchase.

Section 7585 of the Incident Logistics Handbook states:

Sound financial management requires that excess items purchased through the emergency fund shall be retrograded (i.e. inventoried, documented, credited) to the incident and charged off to the appropriate account(s) upon closure of the incident base, camp or staging area.

At the end of an incident, all items left over (excess) in both the Food Unit and the Supply Unit must be substantiated and credited to the incident.

Section 10329 of the Purchasing Authority Application (PCC) states: "No person shall willfully split a single transaction into a series of transactions for the purpose of evading the bidding requirements of this article." Furthermore, Section 2604.5 of the Material Management Handbook states: "Purchasers also may not split orders to circumvent approved purchasing authority thresholds."

Section 2677.1.2 of the Material Management Handbook states: "The CAL-Card is a payment mechanism for the acquisition of non-IT goods and services up to the limits authorized for CAL FIRE and the individual cardholder." And Section 2677.1.5 emphasizes that "cardholders will not split purchases to circumvent daily or monthly purchase limits. Also, cardholders will not split transactions to avoid competitive bidding limits or purchasing authority limits."

Effect:

Because the charges were made after the end of the incident and inappropriately charged back to the incident, the Emergency Fund was over charged.

The lack of proper justifications and approvals indicates that CAL FIRE IT procurement rules were circumvented in order to make this purchase.

The lack of retrograde documentation for reusable items makes it impossible to determine what happened to these items at the end of the incident.

Misuse of CAL-Card, such as the split purchases described above, can jeopardize CAL FIRE's Purchasing Delegation from the Department of General Services. In addition, continued misuse of the CAL-Card will cause the cardholder's privileges to be revoked.

Recommendation:

Business Services should initiate an investigation on the purchasing practices of the cardholder responsible for these purchases. Based on the results of that investigation, the Unit should consider disciplinary action against the cardholder and determine whether cardholder privileges should be revoked.

In addition, the unit should determine the disposition of the reusable items detailed above and report on retrograde.

Business Services Response:

Management Services has reviewed the detailed information of the finding and concluded there are a number of discrepancies from a CAL-Card and incident perspective:

- Upon reviewing the actual receipts, many of the items purchased were in and of themselves not problematic. Much of it was clearly used to set up an office on a network basis. However, the larger technology items such as printers and phones were items that should have been rented per Handbook Section 3821.8(C) and 3821.9(J) rather than purchased. As such, our recommendation is that these items should be retrograded to Information Technology for distribution within the Department where needed, depending on the conclusion of why these items were purchased.
- We do conclude the stamp used identifying the purchase as a non-IT purchase was incorrect. Many of the purchase items are IT-related in nature based on the itemized detail.
- Regarding the splitting of invoices, first, it is not clear from the vendor receipts that they both happened the same day or visit. Second, part of the purchase was charged to unit base budget and part to the incident. If this is actually the case,

those items for base budget would be for unit needs that the unit can explain better, but it would not be inappropriate based on the finding detail provided. We believe this conclusion needs a closer examination.

- If it is determined that the purchaser ultimately failed to separate incident versus base budget expenses in his or her visits to the vendor, then we recommend that the Unit both assign the purchaser to re-training on CAL-Card use and place a first notice in the employee's file noting the need for performance improvement as a purchaser for the Unit.

Based on our findings, Management Services does not believe sufficient information exists yet for a full investigation on a CAL-Card purchase. We do believe that the Unit or Incident management should explain the differences in items purchased and why they were lumped together the way they were.

San Diego Unit Response:

The \$404.87 purchase for optical mice and supplies was made at the incident base by an IT Coordinator with the delegated authority from IT to make these purchases. He was assigned to the Harris Incident as the Incident Administrator. This purchase was made during the incident period. Retrograde was not required due to the nature of the material.

Attached is a breakdown of what was purchased by the unit IT Coordinator for the Harris Incident.

- 1.1 There were no purchases made for the Harris Incident on 11/15/2007. However there was a purchase made on 11/15/2007 for IT supplies and coded to 3300-02350.
- 1.2 All purchases were made at the request of the Assistant Region Chief and with prior approval from the IT CIO. All PCRJ forms and STD 106 forms were filled out after the incidents were concluded.
- 1.3 There were 3 Adobe Licenses purchased.
 - 1.3.1 These items were purchased for the SART team investigating the dozer burn over on the Harris Incident. These were charged to the Incident and there was to be an MRT done. The SART team or the Individual Units that own the Laptops the software was placed on. **(This investigation is still on going and the software is still in use.)**
 - 1.3.2 All other purchases were made for AREA COMMAND TEAM and the ECC EXPANDED TEAM which was responsible for all four fires occurring simultaneously with the Harris Incident. Therefore, these

were still in use when the Harris Finance Team was finishing the Incident package. All reusable items were repackaged and placed on a palette in the IT Coordinator's Office and are still at MVU HQ.

15 phone handsets

2 printers

2 all in one fax printers

Misc. cables and other supplies.

- 1.4 The purchases were split for easy retrograde as the phones and software were the only things we knew would be retrograded for certain. At the time the CAL-Card package was due, the Unit decided it would pay for and keep the routers only. These were coded to 3300-02350 and the rest was coded to the Harris Incident. The purchaser's current purchasing authority is \$15,000.00 per purchase.

Finding 2 - Purchases Made After the End of the Incident:

The review disclosed three purchases that were made after the incident had ended but coded back to the incident, which started on October 21, 2007, and ended on October 31, 2007. The purchases in question are as follows:

- \$24 of a total food purchase of \$794.86 made from Smart & Final on February 3, 2008, was charged to the incident. However, the pay documents for this purchase did not include any documentation to explain why a portion of the expenditure was charged back to the incident.
- A purchase totaling \$3,702.60 for various parts for fire fighting buckets was made from Type One Support LLC on November 13, 2007, and charged to the incident. The invoice was sent to Ramona Air Attack Base, but the products were shipped to a United States Naval Station, North Island. There is no supporting documentation to explain why this purchase was charged back to the incident.
- In addition, the CAL-Card purchase from Fry's Electronics detailed in Finding #1 was made and coded to the incident on November 15, 2007, after the end of the incident.

Criteria:

Section 3821.1 of the Incident Fiscal Management Handbook states:

All employees will be accountable for following the guidelines listed under Section 3821.7 (Expenditure Authorization), Section 3821.8 (Conditions for Use), and Section 3821.9 (Proper Expenditures).

Section 3821.7 of the Incident Fiscal Management Handbook states:

Each person authorizing Emergency Fund expenditures is personally responsible for the **appropriateness** of such expenditures. (Emphasis added.)

Effect:

Purchases made after the close of the incident could be overlooked by the Incident Command Team, especially the Finance Section. As a result, expenditures could be inappropriately charged to an incident.

Recommendation:

The Incident Finance Section Chief and the Unit's Administrative Officer should make sure that only Incident related purchases are charged to the Incident.

In addition, the Fire Protection Program should develop procedures to establish the "cut-off" date of purchases made after the incident base has closed; any purchase made after the "cut-off" date of the incident should be declined or should include a justification for the purchase from the Incident Finance Officer.

San Diego Unit Response:

The \$24 purchase of food was to replace food that was taken out of station inventory during the incident to feed an engine company assigned to the incident. This is documented on the meal sign-up sheet.

The purchase of the replacement parts for the water dropping buckets was done in accordance of our Military Helicopter Firefighting Operating Plan. This operating plan states we will replace items consumed by the National Guard during the activation.

Again, our records indicate there were not any purchases charged to the incident on 11/15/2008.

Incident Team 9 Finance Section Chief Response:

All activities of the Team 9 Finance Section were completed on 11/12/09 and all personnel were demobilized off the incident at that time. The Finance Section Chief has no knowledge of the above mentioned purchases.

Fire Protection Program Response:

Incident finance "cut-off" dates have not been established in policy. The CAL FIRE Unit working in conjunction with an Incident Command Team, if one is assigned, determines the finance cut off dates to apply. This determination is based on a variety of factors including incident complexity, cost share implications, incident location, duration, incident activity statewide, and commodity availability.

The Harris Fire occurred during the heart of the October 2007 Southern California fire siege and was just one of thirteen major fires totaling over 450,000 acres. A delay in purchasing or retrofitting resources is expected. Currently subsistence is purchased within 30 to 60 days after an incident and a 60-day limit for other commodities may be acceptable if extensions could be granted and justified.

Finding 3 - Incorrect Coding of Expenditures:

The review disclosed the following instances of incorrect coding for expenditures:

- Three of ten selected purchases were miscoded. These were lunch bags purchased and coded to Object Code 506 – Foodstuffs. The meals should have been charged to Object Code 292.01 – Fire Related Meals.
- Three of thirty-four selected CAL-Card purchases were incorrectly coded to various object codes, as follows:
 - Best Western (paid as Newton's Outpost) was coded to Object Code 292 - Per Diem, instead of Object Code 292.01 – Fire Related Meals.
 - Denny's Restaurant was coded to Object Code 292 – Per Diem, instead of Object Code 292.01 – Fire Related Meals.
 - Outback Steakhouse was coded to Object Code 506 – Foodstuff, instead of Object Code 292.01 – Fire Related Meals.

Criteria:

Section 3802 of the Incident Fiscal Management Handbook lists the goals, based on the Incident Command System as described in the Field Operations Guide and on agency-specific fiscal policy, as defined in Section 3815 and presented in the subsections of Section 3820.

The goals include, but are not limited to:

- Ensure that obligations charged to the Emergency Fund are in accordance with CAL FIRE policy.
- Ensure that all financial obligation documents, including related activity records, are properly prepared, fully completed, collected and routed on a timely basis.

Section 3821.7 of the Incident Fiscal Management Handbook states: "Each person authorizing Emergency Fund expenditures is personally responsible for the **appropriateness** of such expenditures..." (Emphasis added.)

Section 3821.8 of the Incident Fiscal Management Handbook outlines "Condition for Use" and Section 3821.9 outlines "Proper Expenditures." These include, but are not limited to, the purchase of **subsistence items**, **restaurant meals**, motels and incidental per diem for personnel during the suppression other related support activities. (Emphasis added.)

Section 3762.4.3 of the Accounting Procedures Handbook provides descriptions of each object code used by CAL FIRE for coding documents for payment. Specifically, Object Code 292.01 (Fire Related Meals) is described as follows:

Expenses incurred for prepared meals by employees. Includes meals consumed while engaged in emergency fire suppression activities, filling support functions, en route to and from the incident and move-up and cover activities.

Object Code 506 (Foodstuffs), is described as follows:

Cost of food purchased to subsist at CDF facilities, staging areas, or firelines. Includes processing cost (Cutting, wrapping, etc.), purchase of seeds and plants, ice and catered meals.

Effect:

Statistics of meals served during the incident will not be accurate if meals are incorrectly coded.

Recommendation:

The Incident Finance Section Chief and the Certified Purchasers should make sure expenditures are correctly coded as instructed under Section 3762 of CAL FIRE Accounting Procedures Handbook.

The Purchasing Cal Card Specialist (PURC)/Payment Processing Technician Specialist (PTTS) Coordinator should ensure that Certified Purchasers are trained on proper coding of expenses.

Incident Team 9 Finance Section Chief Response:

The above mentioned documents were not part of the document package submitted by the Finance Section and since Newton's Outpost is located in Hesperia, California, it is possible that these were purchases made by personnel enroute or returning, which did not get processed through the Finance Section. The individual card holders will need to be queried.

PURC/PPTS Coordinator Response:

Every CAL FIRE purchaser that works on an incident team as a PURC or PPTS is required to go through a thorough training that covers all aspects of incident purchasing, including expense coding. This training is regularly required for all new assignees and is annually refreshed for existing PURCs and PPTSS. Therefore, Management Services does not believe any further general training is required. We do believe that the specific individual involved should be assigned to retraining and a notice or letter of warning placed in his or her personnel file noting the performance improvement needed.

Finding 4 - No Order Number for Rental Vehicles:

The review disclosed that eleven of sixty-seven American Express vehicle rental transactions selected for review belonged to employees who were in neither the CAL FIRE directory nor ROSS. These eleven American Express charges cannot be verified as proper expenditures because request numbers were not recorded on the invoices; as a result, verification of the operators (renters) to ROSS cannot be performed.

In addition, one of the eleven operators was not identified as a CAL FIRE employee from the Department's roster or Outlook.

Criteria:

Section 8143 of the Command and Control Handbook states:

Each individual request will be assigned a request number. The request number will be an alpha designator followed by a consecutive number.

The alpha prefixes are as follows: A - Aircraft; C - Crews, E - Equipment, O - Overhead, S - Supply.

Section 3831.2.3 of the Incident Fiscal Management Handbook states:

All units and personnel will receive a specific order and request number for the incident, which must be entered on the FC-33.

Section 3836.4.1 of the Incident Fiscal Management Handbook states:

Every emergency worker must have an order and request number which is entered on the FC-42.

Effect:

Any expenditure incurred for a person without a request number cannot be verified as appropriate and accurate.

Recommendations:

The Department Accounting Office (DAO), Accounts Receivable – Business Travel Unit, should require the travel agency to record the request number provided by employees for all related incident expenditures.

DAO Response:

At the time of the fire, the Department was still dealing with the problem of “walk-ins,” where employees could contract a rental vehicle in the name of the Department by showing up at a rental agency counter and saying they are from CAL FIRE. Although Department employees were repeatedly reminded rental car needs were required to go through Sundancer Travel, our travel agent vendor, exceptions still occurred. Had these orders gone through our vendor, all control practices would have ensured an order number on every rental processed.

Accounting and Management Services were able to secure a policy change in 2009 that rectified this problem. Any employee who performs a “walk-in” and does not rent a car through our travel agent will have to pay for the car on his or her own personal credit card and validate reimbursement later through a supervisor and travel claim. This would then also require an incident number and approval by the Incident Finance Chief as a valid incident expense. We believe this solution will eliminate a large amount of rental charges on incidents without order numbers.

Finding 5 - Improper Payments Made to Emergency Workers:

The review disclosed the following improper payments made to emergency workers:

- One employee worked and was paid for a 24-hour shift (in the midst of 37 consecutive hours worked) without written approval.
- One employee worked and was paid for nine consecutive days (199 consecutive hours) without a break.
- One employee worked and was paid for eight consecutive days (177 consecutive hours) without a break.

Criteria:

Section 3836.5.1 of the Incident Fiscal Management Handbook states that work shifts **exceeding 16 hours in an operational period** for emergency workers involved in support functions **are unacceptable** except in unusual circumstances which must be clearly justified in writing by the CAL FIRE supervisor responsible for the emergency workers. In no event is off-shift or sleep time compensable.

Effect:

It is unsafe and unreasonable to believe that an emergency worker worked as many as nine consecutive days without sleep or time off. If the worker did, in fact, get time off for sleep, then the worker was overpaid, since sleep time is not compensable. On the other hand, if this type of activity occurs without sleep, CAL FIRE is putting the emergency worker, CAL FIRE employees, and members of the public at great risk.

Recommendation:

Work shifts should not exceed 16 hours except in unusual circumstances, which must be clearly justified in writing.

CAL FIRE Supervisors responsible for Emergency Workers should ensure that emergency workers do not work beyond the limits prescribed in CAL FIRE policy, unless the proper justifications are provided.

Incident Team 9 Finance Section Chief Response:

The Finance Section did not process FC-42s with any of the issues mentioned above.

San Diego Unit Response:

The employee that received 37 hours of uninterrupted pay was assigned as an Assistant Logistics Chief to set up a spike camp to support about 500 personnel. Relief

was not available due to incident activity. The Unit agrees with this finding that a justification was needed.

The next two employees that were paid 199 hours and 177 hours, respectively, were assigned to fire apparatus requiring 24 hour availability. MOI Section 3836.5 states 24 hour payment is appropriate when availability is required; however it must be justified by the supervisor. The engine company officer believed this authority rested at his level, and approval was made by virtue of his signature on the FC-42. The FC-42 was processed within the Unit, as these were MVU local government contract engines.

The Unit Finance Clerk has been advised of the need to verify this information and was requested to review the FC-42 payment procedures.

Finding 6 - Invoices for Call When Needed Equipment Inaccurate, Incomplete, or Unsupported:

The review revealed the following errors with call-when-needed invoices:

- Seven of nine selected invoices claimed \$127 for per diem instead of the \$124 rate stated on CAL FIRE's Lease Agreement for the Intermittent Use of Aircraft (FC-107). The invoices did not contain any explanation of why the rate was changed from \$124 to \$127.
- The flight rate of \$2,700 billed by Heliquest International, Inc., on October 15, 2007, did not match the flight rate of \$2,100 stated in CAL FIRE's CWN Directory, which is dated May 24, 2008.
- An invoice for San Joaquin Helicopters did not include the Helicopter Daily Cost Ticket (CAL FIRE-63) for October 29, 2007.
- The total overpayment by CAL FIRE as a result of these errors was \$21,360.

Criteria:

Section 8315.1 of the Aviation Handbook states:

The State of California, through CDF, contracts for aircraft services for wildfire suppression, detection, and related activities. The only legally binding agreement between the state and each contractor is the written contract entered into and agreed to by both parties.

The Lease Agreement for the Intermittent Use of Aircraft (FC-107) states that the per diem rate is \$124 per day for Airlift Construction Services, Redding Air Service, San Joaquin Helicopters, and Siller Brothers, Inc.

Section 3834.1.3 of the Incident Fiscal Management Handbook states:

The order and request number must be entered both in the heading and following the appropriate CALSTARS coding information. CAL FIRE-62s lacking the order and request number will be charged to the non-emergency fund PCA indicated or to the home index primary support PCA (if none indicated).

Section 3.1.1 of the California ROSS Business Practices and Standards states that ROSS Data Administrators at each site are responsible for entering and maintaining accurate resource data for their site.

Section 3834.1.4 of the Incident Fiscal Management Handbook states that the verification of rates is required. The verification of current contract rates must be made before the CAL FIRE-62 can be accurately completed and processed. It will be the responsibility of the helibase manager or his/her designee to verify these rates.

Section 3834.1.5 of the Incident Fiscal Management Handbook states:

The helibase manager or his/her designated time recorder prepares the CAL FIRE-62. The vendor or his/her authorized agent signs it. The time recorder then signs and delivers it, with all supporting documentation, to the procurement unit. The procurement unit checks all computations, obtains the signature of the finance chief, IC or other appropriate party, and then gives the vendor a copy back for distribution.

Section 3834.1.6 of the Incident Fiscal Management Handbook states:

As a CWN helicopter completes its assignment(s) for a given day, the appropriate costs are determined and listed on the Helicopter Daily Cost form (CAL FIRE-63). By the signature(s), the vendor or his/her representative agrees to these costs. The expenses are then transferred to a line on the Helicopter Use Invoice, which represents all expenses incurred on that day. For multi-day incidents, this documentation continues with each day represented by a single line on the Use Invoice form. At the conclusion of the incident, all expenses are totaled for final computation of the net amount due. The vendor signature on the Helicopter Use Invoice form verifies that the charges are correct as shown, and also verifies that the daily information is correct and consistent with each Helicopter Daily Cost form.

Effect:

Use of incorrect rates will result in CAL FIRE either overpaying or under paying a vendor. In this case, rates were understated and CAL FIRE overpaid. In addition, the lack of proper documentation makes it difficult to verify the accuracy of charges on an invoice.

Recommendation:

The Incident Finance Section Chief should ensure that vendors are applying the correct rates to their invoices and that invoices include all of the required supporting documentation, including, but not limited to, the Helicopter Daily Cost Ticket (CAL FIRE-62).

DAO should collect \$21,360 overpaid to vendors as a result of these errors.

Incident Command Team 9 Finance Section Chief Response:

The per diem rate of \$127 was a mistake.

No CDF-63 for San Joaquin Helicopters was completed by the Helicopter Manager for the return trip on 10/29; however the vendor was paid for 3.5 hours flight time and 330 miles based upon a hand written CDF-62, which was signed by the vendor and the Helicopter Manager. Section 3834.1.5 appears to give this flexibility in the paragraphs which are not quoted above where it states: "If the CAL FIRE-62 is signed by the vendor, a vendor invoice is not required to be attached to it. However, a signed vendor invoice may be attached and used in lieu of a vendor signature on the CAL FIRE-62."

The flight rate of \$2,700 paid to Heliquet International was the rate presented to the Finance Section on a current FC-107 (Lease Agreement for the Intermittent Use of Aircraft signed by CAL FIRE Aviation Management).

Departmental Accounting Office Response:

The first part of the issue noted a rate discrepancy. Management Services believes this issue was likely associated with accepting federal vendors and their approved rate on the federal side versus our own. Under mutual aid agreements, we honor such rate differences when the resources are provided through our fire management partners.

Management Services believes the remaining two issues of this finding are likely a result of the same mutual aid issue. We defer to the Incident and Unit management to explain the differences in rates charged. Since a demand for overpayment on a contractual basis is a legal matter that could involve a lawsuit, the Accounting Office will not engage in a demand for overpayment from the affected vendors until the above issue is completely clarified by the Unit and Incident management.

However, based on the detail documentation provided, we do agree that the helicopter daily ticket should always be included and was correctly noted as missing. Accounting staff will be reminded to make sure to look for such items when processing.

Fire Protection Program Response:

Call When Needed (CWN) aircraft vendors are required to post in the cockpit, in a visible location, and surrender when requested by an appropriate official a copy of the CAL FIRE lease agreement (FC-107). The wildland agency aircraft manager is responsible to review this document and verify that any associated pay documents mirrors the rates listed on the FC-107 for that specific aircraft. The rates include the flight hour rate and per diem rate allowed.

The Aviation Management Unit (AMU) offers that all required documents were properly executed and in place to provide the necessary information to correctly complete the CAL FIRE-63 forms.

The Lease Agreement for the Intermittent Use of Aircraft (FC-107) is required to be on board any and all CWN aircraft that report to an incident. The verification of this is a part of the pre-hire check list. Helicopter and Helibase Managers are responsible to assure that the correct amounts are entered onto the CAL FIRE 63.

AMU does not keep records of past FC-107, but considering this situation, will consider this practice in the future to help verify and solve potential billing disputes.

Finding 7 - Inaccurate Overtime Reported:

The review disclosed that 13 of 45 selected Personnel and Equipment Reports (FC-33) did not include the proper documentation to support the overtime recorded on the FC-33s. The total overtime variances were as follows:

Over Claimed	273.00
Under Claimed	<u>(580.70)</u>
Net Difference	<u>(307.70)</u>

Criteria:

Section 3831.2.2 of the Incident Fiscal Management Handbook states:

All units and personnel involved directly with an incident (including support and other personnel assigned away from the incident) will fill out and submit an FC-33. This includes units dispatched and diverted or cancelled.

Section 8331.2.7 of the Incident Fiscal Management Handbook states:

Times (e.g., return times) on the FC-33 must occasionally be estimated. Whenever there is any variance greater than two (2) hours between the FC-33 and the actual time on the incident as posted on the CAL FIRE-681 or FC-77, an amended FC-33 must be submitted by the company officer/overhead/support staff to the incident unit ECC (Emergency Command Center).

Section 3831.2.8 of the Incident Fiscal Management Handbook states:

The employee is responsible for correctly posting Emergency Fund overtime from the FC-33 to the time slip (e.g., the CAL FIRE-681).

Section 3831.2.9 of the Incident Fiscal Management Handbook states:

The immediate supervisor of the person whose time is recorded on the FC-33 is responsible for verifying that the order number, date, and times recorded on the time slip CAL FIRE-681 and on the FC-33 are consistent. Discrepancies in hours are tolerated only within the variances established in Section 3831.2.7. The immediate supervisor is also responsible for ensuring that the home base (yellow) copy of the FC-33 is filed. The home base is responsible for maintaining the FC-33 files according to the filing standards and retention period established below.

Effect:

If overtime hours are not accurately recorded and reported, CAL FIRE could pay more than its share of the overtime, and reimbursable costs could be understated.

Recommendation:

Supervisors should ensure that the overtime hours claimed on their employees' monthly timesheets (CAL FIRE 681) match the overtime hours recorded on the corresponding Personnel and Equipment Reports (FC-33).

Fire Protection Program Response

Automation of several of our processes has helped resolve the problem to a large extent. The time slip (CAL FIRE 681) was established as an electronic process in 2002 and is now called Electronic Payroll or ePay. ePay is a web-based application that provides users in workweek groups 2D, 2E, 2E/B, 2F, and 2G with the ability to complete timesheets according to complex bargaining unit guidelines.

The second process was the development of eFC33. CAL FIRE's Electronic FC33 (eFC33) program was fully implemented statewide on June 1, 2009. The eFC33 data progresses on through many other CAL FIRE systems. The eFC33 uses data directly from the Department's personnel system (PACMANS) and gets shift schedules from ePay. Once the eFC33 is created, the incident and overtime hours are imported directly to ePay timesheets.

From ePay the data is sent to PACMANS, where overtime is processed for payment and keyed to the State Controller's Office (SCO). From PACMANS, the data is extracted and uploaded to the State CALSTARS system, where it meets up with the overtime data keyed to SCO. If the incident costs are recoverable, eFC33s are imported directly into the Activity Reporting and Costs program, where they will be used to generate civil, federal, and other billing packages.

To eliminate inaccurate data entry into ePay, as of May 12, 2009, the ability to enter incident numbers from ePay was removed. Incident numbers now populate ePay through CAD and ROSS as well as through eFC-33. Users of ePay and eFC-33 are able to search for the appropriate incident number.

Finding 8 – ROSS Indicates Services Invoiced Prior to Being Dispatched:

A review of the National Interagency Resource Ordering and Status System (ROSS) records disclosed that four vendors (Rezek, American Medical Response, BL Murphy & Son, and Diamond Environmental Services) invoiced for services performed during a time period prior to being dispatched. A review of invoices indicates services were provided for those dates but that ROSS records were not accurate.

Criteria:

Section 7.1.1 of the California ROSS Business Practices and Standards 2.2.4, revised June 2009 state that ROSS Data Administrators at each site are responsible for entering and maintaining accurate resource data for their site.

Section 7761.2.8.6 of the Fire Operations Handbook states that Division/Group Supervisors are responsible to see that the work hours of hired equipment assigned to their supervision have been properly recorded and reported to the Time Recorder.

Cause:

ROSS limitations. The ROSS site is used by the entire Western Region of the United States. All information provided from these locations feed into one data line that frequently backlogs, freezes up, or loses data.

Effect:

Without accurate ROSS data it is difficult to determine whether resources were properly ordered and invoiced. This could be perceived as overbilling when invoices have charges for dates prior to being requested.

Recommendation:

ROSS Data Administrators at each site should ensure accurate resource data is entered and maintained for their site.

Division/Group Supervisors should ensure that the work hours of hired equipment assigned to their supervision have been properly recorded and reported to the Time Recorder.

Management Services Response:

Management Services was aware and verified at the Harris Fire that the ROSS system which CAL FIRE was using during the siege was "browning out," along with the CAL FIRE network. Resource orders that needed to be put into ROSS were taking up to 8 hours to be processed due to the electronic delays. Based on this fact, we believe it was very likely that Incident management was ordering resources as needed regardless of

the status of ROSS and the dispatching electronic system. If this is the case, these charges for dates before ROSS entry would be valid expenses.

We therefore defer to the Unit and Incident management confirm that resources were valid despite the lack of ROSS records and dispatch orders in the system during this fire.

Since a demand for overpayment on a contractual basis is a legal matter that could involve a lawsuit, the Accounting Office will not engage in a demand for overpayment from the affected vendors until the above issue is completely clarified by the Unit and Incident management.

Incident Command Team 9 Finance Section Chief Response:

The decision was made during the incident by the Finance Section Chief to accept invoices signed by Agency personnel in lieu of Shift Tickets due to the complexity of the incident and the shortage of trained personnel in the Base Camp operations. All the payments in question were legitimate and adequate documentations was presented to the Finance Section in the form of daily invoices signed by responsible Agency personnel.

In the natural confusion generated in the emergency environment, it is not unusual for a ROSS report to not accurately reflect what has happened in reality. Therefore, the faithful payment to our vendors must rely upon Agency personnel who are actually on the ground supervising the equipment in question. Bringing ROSS up to date after the fact is an issue which may need to be addressed in another forum.

Finding 9 - Incomplete Invoice Packages:

The review disclosed that four of the twenty-three selected invoice packages did not include all of the required supporting documentation:

- B L Murphy & Son did not include either a pre-season agreement or Service Order (CAL FIRE-93) with its invoice. Without the agreement it is difficult for the Payment Processing Team to verify and approve expenditures.
- Similarly, an invoice from Dion & Sons, Inc. did not include the pre-season agreement or CAL FIRE-93. Without the agreement, it is difficult for the Payment Processing Team to verify and approve expenditures.
- Abel Fire Equipment included a CAL FIRE-93 with its invoice, but the vendor did not declare that there was no damage to its equipment when being released, and it did not initial the "No Damage/No Claims" clause on the CAL FIRE-93, as required.
- Similarly, All Seasons Equipment included a CAL FIRE-93 with its invoice, but the vendor did not declare that there was no damage to its equipment when being released, and it did not initial the "No Damage/No Claims" clause on the CAL FIRE-93, as required.

Criteria:

Section 8126 of the Command and Control Handbook states:

The documentation element includes all of the forms, documents, and reports associated with an incident. Documentation is an on going process throughout the duration of an incident. The data collected is used for statistical and legal purposes, operational review, cost collection, planning, and historical purposes. Often the unit ECC is assigned the task of monitoring incident documentation to ensure deadlines are met and reports are correct.

Effect:

Without required supporting documents attached, it is difficult to verify vendor payments for accuracy.

In addition, if CAL FIRE does not document the inspection or vendor's waiver of the inspection by initialing the "No Damages/No Claim" statement on the CAL FIRE-93, the Department may be held liable for damages that occur after the incident that are claimed by the vendor.

Recommendation:

The Incident Finance Section Chief should ensure that all documents are complete and that required supporting documents are included with the invoices.

Incident Command Team 9 Finance Section Chief Response:

Both BL Murphy and Dion & Sons were paid, per policy, on a CALFIRE 61. There were two CALFIRE 61s for each vendor and the pre-season agreement (EERA) was included on only one to avoid duplication of effort and printing.

The failure to obtain initials for the NO DAMAGE/NO CLAIMS block for Abel Equipment and All Season was an oversight by the Finance Section.

Finding 10 - Incorrect Hired Equipment Rate Used:

The review disclosed that North Tree Fire International used an incorrect rate on its invoice, resulting in an overcharge of \$2,770.40 to CAL FIRE. North Tree invoiced a rate of \$2.70 per square foot for plotter charges for a total of \$4,166.10. The actual rate, as indicated on the Emergency Equipment Rental Agreement (CAL FIRE-294), is \$.90 per square foot, so the actual total should have been \$1,338.70.

Criteria:

Section 3826 of the Incident Fiscal Management Handbook states:

Any resources ordered by and under the control of CDF will be required to maintain appropriate time records coordinated through the finance section to substantiate claims for reimbursement against the state...

Section 3833.2 of the Incident Fiscal Management Handbook states:

Because the equipment needs of CAL FIRE and the availability of contractor's equipment during an emergency cannot be determined in advance, CAL FIRE and the contractor(s) enter into a pre-hire agreement using Form CAL FIRE-294, Emergency Equipment Rental Agreement.

Section 3833.2 of the Incident Fiscal Management Handbook further states:

By signing this document, it is mutually agreed that upon request of CAL FIRE the contractor will furnish the equipment listed on the CAL FIRE-294 if the contractor is willing and able at the time of request. The agreement also establishes the conditions of employment, the rate and method of payment, and equipment condition requirements.

Effect:

As a result of using an incorrect rate on its invoice, the vendor overcharged CAL FIRE by \$2,777.40.

Recommendation:

The Incident Finance Section Chief should make sure that all invoiced equipment rates comply with agreed upon rates.

DAO should collect the \$2,777.40 overpayment from the vendor.

Department Accounting Office Response:

Based on the finding detail provided, Management Services agrees an overcharge seems to have occurred. Incident management should provide an explanation regarding the cost difference between contract and final service billing. Absent a sufficient explanation, Accounting will initiate an action to seek repayment of the overcharged amounts.

This item was inclusive within the single invoice package received, so it should have been spotted by the headquarters' staff processing the item. Management Services will ensure the individual is shown the example and how to avoid it in the future.

Incident Command Team 9 Finance Section Chief Response:

The figures shown on the daily invoices for plotter paper are in linear feet for 3' paper therefore, the effective rate is, in fact, 0.90 per square foot.

Finding 11 - Hired Equipment Invoiced More Than Once by Vendor:

The review disclosed that Diamond Environmental Services appears to have invoiced CAL FIRE twice for four pieces of equipment as follows:

- S30 and S31 were billed for October 23, 2007, through November 5, 2007, on invoice 1CA2007A, which was dated November 5, 2007. S30 and S31 were billed again for October 23, 2007, through November 5, 2007, on invoice 741977, which was dated November 30, 2007.
- S106 and S116 were billed for October 26, 2007, on invoice 1CA2007A and for the same day again on invoice 741977.
- The total of the two invoices was \$140,546.00, and the amount overpaid appears to be \$6,675.00.

Criteria:

Section 8422.1 of the State Administrative Manual (SAM) states that the agency will determine that payment has not been previously made by referring to the agency's remittance advice file or other agency records.

Section 3826 of the Incident Fiscal Management Handbook states:

Any resources ordered by and under the control of CDF will be required to maintain appropriate time records coordinated through the finance section to substantiate claims for reimbursement against the state.

Section 7088 of the Fire Operations Handbook states:

Hired equipment work hours will be documented on form OF-297 "Emergency Equipment Shift Ticket." **The Division/Group Supervisor has the primary responsibility for recording the work hours of hired equipment assigned to his/her supervision.**

Section 7761.2.8.6 of the Emergency Incident Management Handbook states:

Work hours will be documented on form OF-297 "Emergency Equipment Shift Ticket." The CAL FIRE (or other agency) employee supervising the equipment is responsible for recording the contractor work hours on the OF-297 (shift ticket) form, and for insuring that the contractor signs the form. This is done at the end of the shift or work day (whichever is appropriate). The employee completing the form is responsible for delivering the original copy of the OF-297 to the Time Recorder.

REMINDER: PAYMENT TO THE CONTRACTOR CANNOT PROCEED UNTIL THE SUPERVISOR PROVIDES THE TIME RECORDER WITH A COMPLETED SHIFT TICKET.

Effect:

As a result of this overbilling, CAL FIRE over paid \$6,675 for the equipment provided.

Recommendation:

The Incident Finance Section Chief should enforce the use of Shift Tickets (OF-297) on all hired equipment to ensure that double billings do not occur.

DAO should collect the \$6,675.00 overpayment from the vendor.

Department Accounting Office Response:

Based on the finding detail provided, Management Services agrees a double-payment seems to have occurred. Incident management should provide an explanation regarding the final service billing. Absent a sufficient explanation, Accounting will initiate an action to seek repayment of the overcharged amounts.

Given the high volume of invoices that come from the field it would have been reasonably impossible for an accounting staffperson in Headquarters to remember the detail level of each invoice processed by him or her, especially if received apart from each other and with multiple fires. No level of training will ensure this does not occur again. Accounting does rely on its FAME system to catch payment of invoices with duplicate reference numbers. However, FAME would not catch two different-numbered invoices charging for the same equipment in the same time period. As a result, Accounting relies heavily on the field and incident management with intimate knowledge of resources ordered and used on each fire to identify incorrect invoices.

Incident Command Team 9 Finance Section Chief Response:

Additional documentation located in the original documents at San Diego Headquarters indicate that toilets and sinks listed under S 30, S 31, S 106, and S116 were positioned at various locations around the fire area. A second invoice (#741977) and supporting documents was signed by Agency personnel and forwarded to the Finance Section to capture payment for resources which were neglected on the first invoice (1CA2007A).

These "lost" toilets and sinks were located at "Gillespie #2," which was the helibase at Gillespie Field. This helibase was utilized by resources from the Harris fire as well as from the Witch Fire nearby and there was confusion among the Logistics Section at first as to which incident was paying for the toilets and sinks. Both invoices were combined into one CALFIRE 93 for payment.

Finding 12 - Payments for Services Inaccurate, Incomplete, or Unsupported:

The review revealed the following problems with four invoices from the Department of Corrections and Rehabilitation (CDCR):

- Overhead charges were not accurate:
 - Four CDCR personnel claimed to each have worked twenty-five hours on November 4, 2007.
 - Overtime from another incident was charged to this incident.
- Supporting documents were incomplete or missing:
 - A receipt for meals was not included.
 - Only the Authorization was attached to Trinity River's invoice.
 - No approval on TEC filed by CDCR staff.
- Invoice was not complete:
 - The 2nd page of Trinity River FC-77 was not available; as the result, statistics such as overhead expenditures cannot be verified.
 - Calculation for inmates' working hours was not recorded on FC-33A.

Total overbilled was:

Sugar Pine Camp	\$ 220.14
McCain Valley Camp	<u>\$ 513.93</u>
Total Overbilled	<u>\$ 734.07</u>

Criteria:

Section 3832.3, Subsection G – Payroll of the Incident Fiscal Management Handbook requires the FC-33A to “show the total time to be paid to each person listed under payroll.”

Section 3832.5 of the Incident Fiscal Management Handbook states:

Each cooperating agency employee assigned to the incident or as post coverage will initiate an FC-33C at the time of dispatch on assignments. He/she will be responsible for posting both on and off shift times and CAL FIRE-provided fuel for each period.

Section 3832.6 of the Incident Fiscal Management Handbook provides instructions to complete the FC-33C, Incident Timekeeping for Custodian Personnel.

Section 3832.7 of the Incident Fiscal Management Handbook provides instructions to complete FC-77, Camp Center Emergency Time Report.

Section 3863.1.3 of the Incident Fiscal Management Handbook states:

The original of the FC-77 is given to the cooperator's camp administrator and/or institution accounting office who review it, signifying that the times reported are accurate and in conformance with employees' timesheets. At that time, the required copies are made. The original is forwarded to the cooperator's accounting office for invoice preparation. The second copy is forwarded to the CAL FIRE Unit responsible for preparing the cost recovery package (assuming the incident is billable). A third file copy is retained by the camp.

Effect:

Inaccurate or missing supporting documentation could cause CAL FIRE to be overcharged for expenses. In addition, without complete and accurate supporting documents, expenditures cannot be verified as correct.

Recommendation:

The CAL FIRE Camp Division Chief or CDCR Camp Commander should verify the accuracy and completeness of invoices and supporting documents and ensure the proper approval of expenditures.

DAO should collect the \$734.07 overpayment from CDCR.

Camp Division Chief – Sugar Pine Camp Response:

The review revealed a problem with overhead charges that were not accurate. Specifically 4 CDCR personnel claimed to each have worked twenty-five hours on November 4, 2007. This is the date that daylight savings time ended for the 2007 year.

Per federal fair labor standards law (FLSA) employees working the graveyard shift when Daylight Savings time ends work an extra hour because the clocks are set back one hour at 2:00 a.m. See the attached FLSA Worked document for further explanation.

Department of Personnel has a recognized pay code for Daylight Savings time (dst) which is used to identify the "time/costs associated with the one (1) hour time change that may result in the subtraction and/or addition of time to the employee's work hours."

If an employee is working the shift they can legally be compensated for an additional hour when Daylight savings time ends.

Daylight Savings Time

Most states participate in daylight savings time. Those employees working the graveyard shift when Daylight Savings Time begins work one hour less because the clocks are set ahead one hour. Those employees working the graveyard shift when Daylight Savings Time ends work an extra hour because the clocks are set back one hour at 2:00 a.m.

For example:

The scheduled shift starts at 11:00 p.m. and ends at 7:30 a.m. the next day, your employee works an eight- hour shift and receives a 30-minute lunch break.

- On the Sunday that Daylight Savings Time starts at 2:00 a.m., the employee does not work the hour from 2:00 a.m. to 3:00 a.m. because at 2:00 a.m. all of the clocks are turned forward to 3:00 a.m. Thus, on this day the employee only worked 7 hours, even though the schedule was for 8 hours.
- On the Sunday that Daylight Savings Time ends at 2:00 a.m., the employee works the hour from 1:00 a.m. to 2:00 a.m. twice because at 2:00 a.m. all of the clocks are turned back to 1:00 a.m. Thus, on this day the employee worked 9 hours, even though the schedule only reflected 8 hours.

The FLSA requires that employees must be credited with all of the hours actually worked. Therefore, if the employee is in a work situation similar to that described in the above example, he or she worked 7 hours on the day that Daylight Savings Time begins and 9 hours on the day that Daylight Savings Time ends. This assumes, of course, that the employee actually worked the scheduled shift as in our example.

For more information, please contact your local Wage and Hour District Office.

Camp Division Chief – McCain Valley Camp Response:

Upon review McCain Camp concurs with the finding that that CAL FIRE was overbilled \$734.07. The signatures required from CAL FIRE are blank. The Department has a new Division Chief and Office Tech at McCain Valley Camp since this fire. They have advised a checklist system has already been implemented to insure future compliance.

Department Accounting Office Response:

Regarding the inaccuracy of overhead charges, specifically, overtime from another incident charged to this incident:

An employee charged 8 overtime hours to Gabilan, "order number MVU 10429". Gabilan is another conservation camp, and "order number MVU 10429" was listed as "Cover MVU". We suspect this was a move-up and cover assignment related to the

Harris Fire, but the document failed to identify the person that the employee was covering. Additionally, CDCR personnel are not normally listed in ROSS when given an assignment. In conversations with the Sierra Conservation Center, they have stated that CDCR will now be keeping a log of all CDCR staff and their assignments and should a FC-33 not have the information on whom the CDCR personnel is covering, CAL FIRE would be able to recover this information from this log in the future.

Regarding incomplete or missing supporting documents (specifically a missing receipt for meals):

The only meals billed on this claim were listed on the AO-71, Emergency Operations' Foodstuffs Purchase Authorization. These meals are provided by the camp as listed under "Name of Camp". The McCain Valley camp provided the meals, and this claim was issued by the McCain Valley camp. This form serves as a receipt for meals consumed.

Regarding the Authorization attached to Trinity River's invoice:

We are unsure what "Trinity River" invoice is referring to as a finding. The claim copy provided as the finding supporting documentation was for McCain Conservation Camp only.

Regarding the lack of approval on TEC filed by CDCR staff:

The claim itself was not signed, but the FC-77, which is the claim for all of the supporting documents, was signed by the Camp Commander. We view this as authorization for all documents included, as does CDCR.

Regarding the incomplete invoice (specifically the missing second page of Trinity River FC-77):

Again, we are unsure what "Trinity River" is referring to as a finding. This finding's supporting document claim was for McCain Conservation Camp only.

Regarding the calculation for inmates' working hours not being recorded on an FC-33A:

We are unsure what this finding is referring to. All FC-33As in the claim document provided as a finding supporting document show inmate hours.

Finding 13 - Classification and Pay Rate Not Properly Identified:

The review revealed that four of seven emergency workers (EWs) did not identify their working title or duty on their timesheet (FC-42); it is impossible to determine whether the pay rate is appropriate for the duty if the duty is not identified.

Criteria:

Section 3836.8 of the Incident Fiscal Management Handbook Section states that generally the time recorder completes all information of the FC-42 **except** the amount due, the pay information (excluding miscellaneous deductions, which the time recorder does complete), employee's signature, and the CAL FIRE counter-signature. This section also instructs users to list both the "EW" rate and the appropriate working title in the space provided.

Effect:

It is impossible to determine whether the pay rate is appropriate for the duty if the duty is not identified. This could result in overpayments and underpayments to emergency workers.

Recommendation:

The Incident Finance Section Chief should instruct emergency workers to always identify their working title or duty on their timesheets (FC-42)

The Time Unit Leader should ensure that the most current version of the FC-42 (revision date of 07/06) is used. If an outdated FC-42 must be used, the Time Unit Leader should instruct the emergency worker to include his or her working title or duty on the timesheet.

Incident Command Team 9 Finance Section Chief Response:

All FC-42s processed by the Finance Section identified the employee's working title and were the 07/06 version.

San Diego Unit Response:

The Unit Finance Clerk has been advised of the need to verify this information and was requested to review the FC-42 payment procedures.

Finding 14 - Over Payments to Emergency Workers:

The review revealed that one of seven emergency worker (pickup labor) timesheets showed a worker claiming time worked one day before he was ordered and one day after he was released, resulting in an overpayment of \$257.83.

CAL FIRE utilizes the Resource Order and Status System (ROSS) to officially record when firefighting resources are ordered; ROSS includes request order number, order date, mobilized date, release date, and other details. ROSS dates were compared to timesheets.

Criteria:

Section 3.1.1 of the California ROSS Business Practices and Standards states that ROSS Data Administrators at each site are responsible for entering and maintaining accurate resource data for their site.

Section 13403(a)(3) of the California State Government Code states that elements of a satisfactory system of internal accounting and administrative control shall include a system of authorization and recordkeeping procedures adequate to provide effective accounting control over assets, liabilities, revenues, and expenditures.

Effect:

If an emergency worker arrives before being requested or does not leave when demobilized, CAL FIRE winds up paying for resources that are not necessary.

Recommendation:

ROSS information should be carefully entered by data administrators so that accuracy of pay and request/release dates can be determined.

ECC ROSS Data Administrators:

Due to the dynamic start of the incident, which included an engine company being burned over with additional incidents starting simultaneously, ROSS was unable to be maintained in a timely manner. The time for resources being entered later will default to the time of entry unless the actual time is overridden.

Fire Protection Program Response:

During the October 2007 fire siege, given the number and complexity of incidents, it was a common practice for Emergency Command Center personnel and Expanded Command Center personnel to prioritize work tasks. Initial attack and extended attack incident dispatches and the requirement of maintaining the Computer Aid Dispatch (CAD) system remained the highest priority.

When incident activity lessened, dispatchers would return to or update ROSS. It was common that reconsolidating ROSS with the field resources including overhead had a lag time of several days. ROSS's slow connectivity issues also contributed to a dispatcher's lack of acceptance of keeping ROSS updated on a timely basis during these stressful times. Finally filling expanded dispatch overhead positions was difficult due to incident activity. Out of sheer necessity, positions were filled with a workforce that was not adequately trained in ROSS. This lack of a skilled trained workforce significantly delayed data entry.

Since 2007, the Department has made strides in correcting these deficiencies. A CAD to ROSS interface is now in place which significantly improves dispatcher effectiveness.

ROSS connectivity issues have been significantly improved, which has further facilitated timely data entry. Specifically, San Diego Unit's ECC's connectivity hardware (internet and ROSS connections) was reviewed and found to be in disarray. The entire expanded command floor has since been rewired. Expanded dispatch teams have been formed and are deployed to aid Unit Emergency Command Centers. Team members are trained and are qualified to run expanded operations. Timely field reconciliation of resources is stressed.

Finding 15 - Incident Resources Not Properly Identified:

The review revealed that incident resources were not properly identified as follows:

- One worker used resource order numbers that were not assigned to him.
- Two workers had different duties recorded on their timesheets than what was recorded in ROSS.
- Two workers used "E" resource numbers instead of "O" resource numbers.

Criteria:

Section 3831.2.3 of the Incident Fiscal Management Handbook states that all units and personnel will receive a specific order and request number for the incident. The request number must be obtained from the ECC that dispatches the resource to the incident. Section 3836.4.1 states that every emergency worker must have an order and request number which is entered on the FC-42 (timesheet).

Sections 3846 and 3846.1 of the Incident Fiscal Management Handbook state that time for emergency workers is kept on the FC-42. Most entries for the FC-42 are completed by the time recorder.

CAL FIRE utilizes the Resource Order and Status System (ROSS) to officially record when firefighting resources are ordered; ROSS includes request order number, order date, mobilized date, release date, and other details. Section 3.1.1 of the California ROSS Business Practices and Standards states that ROSS Data Administrators at each site are responsible for entering and maintaining accurate resource data for their site.

The *Resource Order (Incident Command Team)* Exhibit within Section 7700 of the Emergency Incident Management Handbook indicates that emergency workers are overhead and thus are assigned "O" resource order numbers, while equipment is assigned "E" resource order numbers.

Effect:

When resources are not properly identified, it is difficult to determine whether the Department is properly charged for those resources when used on the incident.

Recommendation:

The Incident Finance Section Chief and the ECC should ensure that:

- Emergency workers record accurate resource order numbers on their timesheets.

- Incident Personnel Time Recorders review all timesheets for accuracy.
- Emergency workers and Data Administrators carefully enter ROSS information.

Incident Command Team 9 Finance Section Chief Response:

One of the FC-42s processed by the Finance Section identified the working title of the employee as "Relief Driver" which was different that what was shown in ROSS. ROSS was incorrect.